



**MINUTES OF MEETING OF THE CITY
COUNCIL OF THE CITY OF HAYWARD
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, May 1, 2001, 8:00 p.m.**

MEETING

The Regular Meeting of the City Council was called to order by Mayor Cooper at 8:00 p.m., followed by the Pledge of Allegiance led by Council Member Ward.

ROLL CALL

Present: COUNCIL MEMBERS Jimenez, Hilson,
Rodriquez, Ward, Dowling, Henson
MAYOR Cooper
Absent: None

PRESENTATION: Business Recognition Award

Mayor Cooper presented the City of Hayward Business Recognition Award for May 2001 to Lynx Therapeutics, Inc., for the cutting-edge genetics research they have done in Hayward. Company officials say they chose Hayward due to its strategic location, proximity to other biotechnology firms, and its "unbeatable real estate value." Edward Albin, Chief Financial Officer for Lynx Therapeutics, Inc., accepted the award.

PUBLIC COMMENTS

Don Shepherd, 22722 Wildwood Street, requested that the City intervene in the pick-up of trash. He noted that too many trash receptacles are left in the street by Waste Management employees after being emptied rather than returned to the curb. He also asked about the "Once a Year" trash pickup and whether the new call-in system is working.

Council Member Hilson reported that the Environment Committee would be meeting tomorrow with a representative from Waste Management. He would bring up these concerns at that time.

Jim Drake, 25795 Franklin Avenue, discussed comments previously made relating to trees on Huntwood and police services. In his opinion, the number of police cars available to respond to citizens is limited to the number of officers working.

Frank Goulart, 22248 Main Street, commended Council for its 125th Birthday Celebration. He also discussed the programs being developed for middle school children. He presented a brochure that provides information to Hayward's Historic Buildings. He also thanked the Hayward Historical Library that included as well as Jim DeMersman, Bernie Golumb, and Banning Fenton for their help in developing the brochure.

Lawrence Ferguson, 26207 Coleman Avenue, thanked all involved to resolve the trees issue in

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the Huntwood neighborhood.

CONSENT

1. Approval of Minutes of the Meeting of April 24, 2001

It was moved by Council Member Henson, seconded by Council Member Hilson, and unanimously carried to approve the Minutes of the Meeting of the City Council of April 24, 2001.

2. Amendment to the Contract with the California Public Employees Retirement System to Provide a 3% @ 50 Retirement Plan for Local Police Members, and Adjusting the Employer Medical Contribution Rate for Police Retirees

Staff report submitted by Personnel Director Perrin-Scales, dated May 1, 2001, was filed.

It was moved by Council Member Henson, seconded by Council Member Hilson, and unanimously carried to introduce and adopt the following:

Ordinance 01-__, "An Ordinance Authorizing an Amendment to the Contract Between the City Council and the Board of Administration of the California Public Employees Retirement System"

Resolution 01-056, "Resolution of Intention to Approve an Amendment to the Contract Between the California Public Employees' Retirement System and the City of Hayward to Provide Benefits for Local Police Members"

Resolution 01-057, "Resolution Adjusting Employer Contribution for Subject Members of the Hayward Police Officers Association Covered Under the Public Employees' Medical and Hospital Care Act"

3. Authorization for the City Manager to Execute an Agreement with Harris and Associates for Construction Inspection Services

Staff report submitted by Deputy Director of Public Works Bauman, dated May 1, 2001, was filed.

It was moved by Council Member Henson, seconded by Council Member Hilson, and

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unanimously carried to adopt the following:

Resolution 01-058, "Resolution Authorizing the City Manager to
Execute an Agreement Between the City of Hayward and Harris
and Associates for Construction Inspection Services"

LEGISLATIVE BUSINESS

4. Local Improvement District No. 18, Downtown Sidewalk and Streetscape Rehabilitation
- Resolution of Intention to Make Sidewalk, Landscaping, Lighting and Signage
Modifications in the City Downtown Area

Staff report submitted by Deputy Director for Public Works
Bauman, dated May 1, 2001, was filed.

Public Works Director Butler presented the proposed landscape improvement district. He depicted the boundaries of the project area noting that community meetings as well as meetings of the Downtown Improvement Committee were held to provide opportunity for public input. The consensus of the community seemed to be, not to narrow Main Street. Another discussion was whether the trees on "B" Street should be removed. Staff is recommending that the Australian willow trees be removed as they have caused problems related to disease. The new preferred alternative would be the reconstruction of the sidewalk and planting replacement trees with a greater distance between them. He indicated that all of the Victorian Boxwood trees would be retained. The new tree of choice would be the Chinese Hackberry with some accent trees added as well. The estimated cost for the project is \$5,700,000. The Redevelopment Agency would contribute over \$3 million to the total cost. He gave as an example the assessment cost for a 5,000 square foot property, such as the restaurant, Bon Appetito, which would be about \$19,800 or \$1,490 annually for over 30 years.

The Downtown Committee agreed that this report should be included in the preliminary engineers' report. The process would include preliminary agreement by Council of the engineers' report and then a public hearing with the property owners. Ballots would then be sent out. The balloting would be weighted by property area. Fifty- percent approval would be necessary for the Assessment District to be formed. The schedule would include early June for engineers' report and construction could occur by April of next year. He commented that the assessment would be based on a square foot basis of the total gross area.

Council Member Jimenez commented on the hardships that would be caused for property owners, in particular one, who owned four parcels in that area. It was reiterated that the

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Redevelopment Agency would carry a substantial portion in recognition of trying to ease the burden on the property owners.

Council Member Henson asked about the area to be assessed. Public Works Director Butler described the downtown area to be included in the Assessment District.

Council Member Henson then enumerated some of the complaints of property owners that the current trees typically block the signage of the merchants. He also asked about the proposed-lighted columns.

Public Works Director Butler explained that the new Chinese Hackberry tree, which has a deep root system, would be spaced from 30 to 60 feet causing less constraint on the current trees on B Street. This is a compromise that our landscape architect has worked out and will maintain the theme on B Street. He noted that the lights are both for aesthetic looks as well as to provide additional lighting for pedestrians.

In response to an inquiry from Council Member Dowling, it was clarified that interior access will remain through the cellars, but will no longer be accessible from the sidewalk.

Council Member Hilson asked how many trees are in this area. He indicated that the tree proposal is rather problematic. In his experience, he has enjoyed the density of treescapes in other cities. He would support the removal and replacement of the Australian Willow, but the 60-foot spacing did not seem to provide the ambiance that communities enjoy. He indicated that perhaps the signage should be brought closer to the ground level to be seen by drivers.

Public Works Director Butler suggested that additional trees within the 60-foot spacing could be added at a later date. He suggested that now would be the time to address this issue if the Council wishes.

Council Member Ward suggested more information on the size of the proposed trees.

Public Works Director Butler said they would grow approximately 10-feet high. The new trees would allow more light in the streets at night. He described the signage program for the downtown parking lots. He commented that the square footage is the basis for the cost and not the frontage. What is not included is an entrance sign over "B" Street.

City Manager Armas said this also addresses the bus stops and the kiosks along "B" Street. He also noted that these improvements are typically a part of the redevelopment agencies whereas general fund dollars are used to repair sidewalks in the neighborhoods.

Mayor Cooper opened the public hearing at 8:56 p.m.



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Dean and Corinne Baracotas, 1 Corte Princesa, Milbrae, submitted a card together. Dean Baracotas noted the potential in the downtown area of Hayward. He described ten points for a successful redevelopment area, which he garnered from re-developers in other areas, including safety, parking, significant street level activity, attractive physical environment, and well-maintained buildings both externally and in the interiors. He also expressed the need to look at the burden placed on the property owner.

Council Member Ward suggested that the City Manager provide additional details of how the City has addressed business issues for the downtown area.

City Manager Armas detailed the assistance of a merchandizing professional; the façade improvement program, seismic rehabilitation of the buildings, supported residential projects and the Albertson complex, as well as the banner program to promote activities in the downtown area. Lastly, he reported that some property owners in the downtown area are absentee owners.

Peggy Collett, 475 Grove Way, spoke on behalf of the Chamber of Commerce. She discussed the Chamber's support for this proposal. She also commented on the lack of owners involved in this program. The Chamber is supportive of a single variety of trees in order to define the downtown area.

Frank Goulart, 2248 Main Street, asked why there was no Environmental Impact Report. He expressed concern for the "coke bottle-type" basement structures. He wondered who would have trees in the front as well as whether a historical survey will be taken as well. He asked whether something could be done for the "C" Street drop-off to the post-office. He expressed concern about the casualty rate of merchants from the costs contained in the study.

Mike Rivers, The Fishery, 22701 Foothill Boulevard, did not think that businesses could afford the cost of this project and would impact his business. He noted that these trees were placed in this area in 1978 in order to bring more people into the area. The business people should get together with Council to discuss the ideas of bringing more people downtown. He liked the movie theatre concept.

Walt Kauzlarich, 926 "A" Street, indicated that he counted 68 very large trees between Foothill and Mission along the street. He is a merchant but not in this immediate area. He spoke in the interest of a few merchants who will be passed this assessment by the landowners. He noted that many of the merchants in this area are marginal anyway. There are concerns that most of this assessment will benefit B Street more. He thought that they would be paying an equal amount but would not get the same advantages of the B" Street businesses.

Marlene Herdon, 22128 Prospect, long-time business owner in downtown Hayward, pointed out
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that the façade program has not yet been completed. She appreciated that the streets are not presently torn up. More time may be needed to look at this issue. More information needs to be noticed to the owners in the area. Property owners should have been notified sooner.

Nicolas Stamatakis, 1049 "B" Street, said he is excited about this program. The property owners and business people should be allowed to make the decisions in the area for the betterment of the community. He commended the proposed project, but would prefer one set of trees rather than the various proposed species. As a property owner, he would be passing this on to his business tenants.

Allen Cox, property owner on Main Street, said this is a municipal issue for which the City should be responsible. He added that more time is needed to talk this over.

Larry Ferguson, 26207 Coleman Avenue, commented on the ambiance of trees in this and various other cities. He commented on other cities. Almost every area of the City is defined by the species of trees in that particular area.

Mayor Cooper closed the public hearing at 9:25 p.m.

Council Member Ward stated that the issue of trees has been long term, since at least 1978. This proposal is a reasonable compromise by staff, which includes input by the Downtown Committee and community. He moved to modify the staff recommendation to increase the amount of contribution by the City to \$4 million dollars.

City Manager Armas expressed concern that increasing the staff recommendation would increase the annual debt obligation to the Redevelopment Agency. There is talk of using the Redevelopment Agency as a sponsor for a future parking garage. He suggested that when this comes back to Council, staff could provide the impact of his proposed increase.

Council Member Ward suggested that the amount of the tax increment revenue might be higher than we anticipated thus his proposals. Mr. Ward agreed and withdrew his motion on the increase of the Redevelopment Agency fiscal responsibility.

City Manager Armas said they must also consider the amount of debt incurred by the present parking garage, a future parking garage and this proposal.

Mayor Cooper seconded the motion for the purposes of discussion.

Council Member Hilson did not think that the modification would work. He assumed that this policy is to cause some business growth. If the Redevelopment Agency is willing to share the cost, property owners are at an advantage.



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Council Member Rodriguez spoke in favor of this project. She would like to see the 30-foot spacing for the tree replacements. She commented on improvements that need to be made to current buildings, which have been neglected by property owners. She urged property owners, business tenants, staff and Council Members to invest in the downtown. Improving the image of the downtown will improve the land values of the whole area. Streets are one of the worst things about the downtown and these improvements must be made.

Council Member Henson said he was supportive of the 30 foot spacing of trees and said Council may have to look more closely at the signage in downtown. He would support the motion to go forward with this project. He commented that Council had to really get this done if they are serious about the Downtown Improvement Plan. He expressed concern about the marginal businesses in the area. The hope is that these projects will increase business in the downtown area.

Council Member Jimenez expressed his concerns that this would impact businesses; in particular those long standing family businesses that own more than one parcel. However, he felt that this proposal is a bargain and would vote in the best interests of all concerned.

Mayor Cooper noted that the merchants would not be voting, but the property owners. The property owners have not shown that they care for the property. She was concerned that absent property owners would only pass the cost to their lease merchants. She commented that the City would have to take further responsibility for communicating with those owners outside the area. She commented on Palo Alto and the number of trees in neighborhoods as compared to the few in the downtown business area. She expressed her recent experience in walking through the downtown and noted that trees take up room on a sidewalk and impede the walking path.

Council Member Ward asked to continue this issue for one week to enable staff to determine how the cost would increase with the 30-foot spacing of trees. He wanted to see a streetscape simulation to get a visual sense of the spacing impacts. Council may also consider the maturity of these trees and the canopy. He withdrew the motion and used his council prerogative to continue the item for one week.

Council Member Hilson commented that he was prepared to make a substitute motion and would defer to Council Member Ward's prerogative.

Council Member Ward noted that the only remaining issue would be the tree spacing.

Council Member Jimenez was prepared to make an addendum to the motion. He commented that if the bidding process was increased by inflation, the Redevelopment Agency could absorb the increase.

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City Manager Armas clarified that Council could proceed with the motion, leaving unanswered the question of the 30 versus 60-foot spacing, so that the engineers can proceed. The tree spacing will then come back to Council for separate decision.

Council Member Ward then moved his initial motion, which was seconded by Council Member Dowling.

Council Member Jimenez added his addendum to the motion as previously written.

City Manager Armas noted that the addendum might be premature at this point since it has not gone to bid and no design has been selected.

Council Member Dowling asked that the information include how many trees would be taken out from "B" Street and how many would be remaining.

It was moved by Council Member Ward, seconded by Council Member Dowling, and unanimously carried to adopt the following:

Resolution 01-059, "Resolution of Intention to Make Improvements for Local Improvement District No. 18 (Downtown Sidewalk and Streetscape Rehabilitation)"

Resolution 01-060, "Resolution Amending Agreement with Berryman and Henigar for Additional Professional Services Relating to the Local Improvement District No. 18, Downtown Sidewalk and Streetscape Rehabilitation"

Resolution 01-061, "Resolution Amending Resolution No. 00-089, the Budget Resolution for Capital Projects for Fiscal Year 2000-01, For An Appropriation of Funds Relating to the Local Improvement District No. 18, Downtown Sidewalk and Streetscape Rehabilitation"

Resolution 01-062, "Resolution Appointing Engineer, Bond Counsel, Financial Advisor, and Assessment Administrator for Local Improvement District No. 18, (Downtown Sidewalk and Streetscape Rehabilitation)"

COUNCIL REPORTS

Council Member Dowling reported on an energy conference that he attended sponsored by the California League of Cities. The focus was municipal utilities. He had a number of suggestions



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of how cities can save on their power.

Council Member Hilson discussed a meeting of the Board of Directors of the California League of Cities. He noted that the Governor has asked cities to cut back on energy use by fifteen percent, and commented that Hayward has conserved up to 25 percent. He also commented on new State funding for projects to conserve energy.

ADJOURNMENT

Mayor Cooper adjourned at 10:05 p.m.

APPROVED:

Roberta Cooper, Mayor, City of Hayward

ATTEST:

Angelina Reyes, City Clerk, City of Hayward

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